

## LA-UR-19-30994

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Title: Roundtable Discussion - Capital Projects

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Intended for: Presentation for Triad Board Operations Committee

Issued: 2019-10-29

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# Roundtable Discussion – Capital Projects

Triad Operations Committee

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September 18, 2019



Managed by Triad National Security, LLC for the U.S. Department of Energy's NNSA

# Capital Project Improvement Initiatives – Status 1/2

| Focus Area                              | Accomplishments  | Risks & Mitigations  |
|---|--|--|
| Culture Change                          | <p><i>Training and developing our team:</i></p> <ul style="list-style-type: none"> <li>• <b>Trained First Line Managers including Subcontractors in SAFE / LOSA &amp; HPI (83% complete for LANL managers)</b></li> <li>• Established Board of Certified Safety Professionals STS-C Certification &amp; OSHA 510 training</li> <li>• Developed LEONARDO/learning org. maturity model baseline (8/19)</li> </ul>  | <p><i>Speed at which we evolve from singular ‘cost &amp; schedule’ mindset to include ‘safety &amp; quality’ as core values:</i></p> <ul style="list-style-type: none"> <li>• Creating a new mindset with self perform work</li> <li>• Re-defining the relationship with our subcontractors</li> </ul>   |
| People                                  | <p><i>Identifying needs &amp; developing our people and pipelines</i></p> <ul style="list-style-type: none"> <li>• Benchmarked LANL Small Project management / indirect costs versus other DOE Labs (15% – 20%)</li> <li>• Performed skill gap assessments and resource needs to right size and right skill (PM, CM, STR, Subcontract Administrator, CAM)</li> </ul>   | <p><i>Finding the talent needed to execute project work</i></p> <ul style="list-style-type: none"> <li>• Pipeline strategy (construction craft, project controls)</li> <li>• Engineering / Design Resource Deployment</li> <li>• Training module development (PM)</li> </ul>   |
| Project Execution                       | <p><i>Building and deploying the people, processes, and tools for the execution of large and small construction projects</i></p> <ul style="list-style-type: none"> <li>• <b>70% of small projects baselined since transition at or ahead of schedule</b></li> <li>• Improved alignment with customer and stakeholders with the PMO model</li> <li>• Increased quality and safety performance (emphasizing hazard identification &amp; work monitoring) with enhanced field presence.</li> <li>• Established portfolio metrics &amp; dashboard (rollout Q1 FY20)</li> </ul>  | <p><i>Process and planning gaps</i></p> <ul style="list-style-type: none"> <li>• Streamline engineering process and reviews</li> <li>• Early engagement of Capital Projects in Project Planning</li> <li>• Formalization of lessons learned</li> </ul>   |
| Subcontract Management / Small Business | <p><i>Rebuilding the relationship with the subcontractors</i></p> <ul style="list-style-type: none"> <li>• <b>Held Subcontractor Forum on August 8<sup>th</sup>; over 700 attendees, subcontractors from 35 states</b></li> <li>• Implemented a best value procurement strategy implemented with a focus on past performance</li> <li>• Established ASM procurement improvement initiatives, improving service, tools, agreements, and improved monthly subcontractor forum</li> <li>• Initiated new master task contracts, subcontractor engagement, performance measurement and evaluation focused on core values</li> </ul> | <p><i>Develop a stable long term supply chain of subcontractors</i></p> <ul style="list-style-type: none"> <li>• Attract new subcontractors and develop and mentor the current subcontractor community</li> <li>• Increase efficiencies in procurement through streamlined contract vehicles</li> <li>• Subcontractor performance management &amp; feedback</li> </ul> |

# Capital Project Improvement Initiatives – Status 2/2

| Focus Area                     | Accomplishments   | Risks & Mitigations  |
|--------------------------------|---|--|
| Customer Relations             | <p><b>Aligning with Partners and Stakeholders:</b></p> <ul style="list-style-type: none"> <li>Alignment with NNSA                             <ul style="list-style-type: none"> <li>30 pit per year plan</li> <li>Acquisition Strategies, TA-3 Substation, ECCCE</li> </ul> </li> <li>Alignment with Internal Stakeholders                             <ul style="list-style-type: none"> <li>WP (PSI Division, Pu Sustainment)</li> <li>F&amp;O and PMO (Small Projects)</li> </ul> </li> </ul>                               | <p><b>Ongoing Alignment:</b></p> <ul style="list-style-type: none"> <li>NA-LA Alignment / Engagement regarding focus on safety/quality vs schedule/cost</li> <li>Weapons Program (EVMS)</li> <li>DOE PM-30 (long-term EVMS strategy)</li> </ul>  |
| EVMS                           | <p><b>Building the people, processes, and tools to add value:</b></p> <ul style="list-style-type: none"> <li><b>Prepared for Certification on CMRR (multi-faceted approach is well underway)</b> <ul style="list-style-type: none"> <li><b>Trained and mentored EVMS CAMs on CMRR projects</b></li> </ul> </li> <li>Installed Cobra cost processor ahead of schedule (available to projects &amp; programs in Q1FY20)</li> <li>Automated population of earned value data, reporting</li> </ul>                                  | <p><b>Tiered Approach to meet the varied needs of the Laboratory:</b></p> <ul style="list-style-type: none"> <li>ASD Scorpious EVMS Approach for Multi-Lab Execution</li> <li>Graded approach to EVMS based on Tiered Approach</li> <li>Weapons EVMS implementation</li> </ul>   |
| Communications                 | <p><b>Focusing on engagement, awareness, and success stories:</b></p> <ul style="list-style-type: none"> <li><b>Initiated monthly accomplishments / Success Stories (Chamber 15, CMM, NSSB Back Gate, Parking Garages, Modular SCIF)</b></li> <li>Expanded PM/FM Monthly participants</li> <li>Emphasized safe work practices (project excellence awards, individual recognition, testimonials and lessons learned)</li> <li>Launched poster Campaign</li> <li>Implemented Safety Blasts / Fluor Life Critical Rules</li> </ul> | <p><b>Staying ahead of partner and stakeholder communications needs:</b></p> <ul style="list-style-type: none"> <li>Communicating change management (many moving parts)</li> <li>Continued focus on lessons learned</li> <li>Active engagement with subcontractor supply chain</li> <li>Redoubling internal communication to foster engagement and buy-in</li> </ul> |
| Productivity Enhancement Tools | <p><b>Providing modern tools to increase performance:</b></p> <ul style="list-style-type: none"> <li><b>Defined a craft planning/electronic timesheet tool for deployment (in process)</b></li> <li>Installed the Cobra cost processor across the portfolio</li> <li>Distributed existing tools across the portfolio (work package planning, change management, variance analysis, ETC)</li> <li>Developed portfolio metrics &amp; dashboard</li> </ul>   | <p><b>Focusing resources on the important problems:</b></p> <ul style="list-style-type: none"> <li>Interface management solution</li> <li>Data fusion from multiple sources (e.g. ES&amp;H)</li> <li>Keeping aligned with institutional IT standards and practice</li> </ul>   |

# Multiple Award Task Order Contracts

## Best practices being implemented at LANL to support this strategy:

Long-range work planning identifies work, creates multi-year mindset

Focus on LANL engagement on all aspects of subcontractor performance

- Subcontract management to drive accountability
- Enhance field presence with clearly defined roles and responsibilities
- Increased daily engagement & observation

### MATOC Life Cycle

| • Planning | • Solicitation | • Evaluation / Award | • Execution | • Close-Out |
|------------|----------------|----------------------|-------------|-------------|
|------------|----------------|----------------------|-------------|-------------|

LANL values and expectations set early

- Best value selection criteria
- Incentives for performance
- Motivation to earn multi-year work

Assessments that lead to the right behaviors:

- Trending & analysis
- Feedback to and from subcontractors
- Sharing of lessons learned, performance indicators

Subcontracting model that positions multiple qualified subcontractors in three job size ranges for a known set of work over five years

- Incentives to align expectations, priorities, values
- Multi-year development of relationship (performance feedback, best practices)
- Leverage for LANL to correct undesirable behaviors
- Lower cost of ownership (both sides)
  - Streamlined paperwork
  - Multi-year commitment allows a Northern NM presence/office
  - Continuity across POCs from job to job

# Construction Subcontract Strategy –Task Order Agreement Summary and Schedule

| DATE           | Acquisition Event                                     |
|----------------|---|
| 8/30/2019      | Sources Sought posted                                 |
| 9/11-9/19/2019 | PAR approval  |
| 9/19/2019      | Sources Sought response due                           |
| 9/20/2019      | Advance Notification with Acquisition Plan            |
| 9/27/2019      | Review of Prequalification, selection of Bidders      |
| 9/20/2019      | <b>Draft MATOC Solicitation issued for comment</b>    |
| 9/20/2019      | Consent Package for MATOC Solicitation Issued to NNSA |
| 10/1/2019      | <b>MATOC Pre-bid</b>                                  |
| 10/8/2029      | Clarifications/Questions due from Bidders             |
| 10/16/2019     | Triad responses/amendment issued to Bidders           |
| 10/20/2019     | <b>Consent for MATOC Solicitation granted</b>         |
| 10/21/2019     | Solicitation issued                                   |
| 10/28/2019     | <b>Final MATOC Proposals due</b>                      |
| 11/8/2019      | Commercial/Technical Evaluation complete              |
| 11/12/2019     | <b>Consent Package submitted</b>                      |
| 12/12/2019     | <b>Consent to award granted</b>                       |
| 12/14/2019     | <b>MATOC Awards issued</b>                            |
| --             | Post Award Debrief as requested                       |
| Jan. 2020      | Initial Request for Task Proposal (RTP) issued        |

## Multiple Award Task Order Contracts ("**MATOCs**")

- General Construction <\$10M
- General construction <\$2M
- Electrical
- D&D and Renovations
- Fire Protection and Suppression
- Modular Buildings